

**U.S. Department of Labor**

Assistant Secretary for  
Pension and Welfare Benefits  
Washington, D.C. 20210



October 3, 2001

Honorable John A. Boehner  
Chairman  
Committee on Education and the Workforce  
U.S. House of Representatives  
Washington, D.C. 20515-6100

Dear Chairman Boehner:

This is to provide the views of the Department of Labor on H.R. 2269, entitled "Retirement Security Advice Act of 2001." H.R. 2269 would provide the American workforce with an important tool to better manage their retirement savings. With more and more workers making investment decisions themselves, the Administration is committed to legislation expanding the availability of investment advice. The Retirement Security Advice Act is an effective federal response to the current needs of American workers.

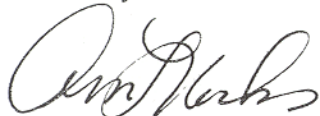
We understand that the Committee is considering amendments that would further enhance the protections afforded workers under the bill. In this regard, we support the Chairman's efforts to limit the application of the bill to investment advice provided with respect to investment options offered by participant - directed individual account plans. We believe such a limitation avoids a number of concerns raised with respect to the scope of prohibited transaction relief, while at the same time accomplishing the bill's primary objective of removing impediments to the provision of investment advice to workers in 401(k)-type plans.

We also support the Chairman's efforts to strengthen the disclosure requirements of the bill in terms of when information must be furnished to workers. We agree that timely and meaningful disclosure is critical to enabling workers to make informed decisions about their investment advice provider. We also believe that further clarification in the bill of an investment adviser's fiduciary status will help alleviate worker concerns as to whether the adviser is acting solely in their interest, as required by the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974 (ERISA). These improvements, combined with ERISA's existing strong disclosure and fiduciary protections, provide the Department with the tools that should enable us to protect workers from abuse.

I congratulate the Chairman and members of the Committee for their dedication to improving the retirement security of the American workforce, and look forward to the successful passage of this legislation.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ann L. Combs", written in a cursive style.

Ann L. Combs